

# Toxic cleanup was cleanout for N.J. firm

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By ROBERT GEARTY

Washington (News Bureau)—A New Jersey firm that was awarded a 15-day, \$50,000 contract to clean up the nation's biggest toxic-waste site—in Edison, N.J.—ended up billing the government for \$814,991, most of it for disputed and undocumented expenses, the Daily News learned yesterday.

Most of the bills were tossed out by auditors of the Environmental Protection Agency, which said the firm—Peabody Clean Industry of Linden, N.J.—could not account for \$700,107 in claimed labor, transportation and vehicle costs.

## Dow Jones sets another record

Stock prices hit new highs yesterday as investors flocked to Wall Street's bull market. The Dow Jones Industrial average closed up 18.09 at a new high of 1,130.71. The old record of 1,121.81 was set last Thursday, when the Dow closed above the 1,100 mark for the first time. See page 45.

Auditors, in a report prepared by the EPA's inspector general and dated last Nov. 23, indicated the firm might have double-billed the Coast Guard for the same work.

**THE EPA AUDIT** was done under supervision of Inspector General Matthew Novick, fired last week after Congress released its own EPA audit. The congressional study showed that the EPA could not account for \$53 million of the \$180 million spent last year from the \$1.6 billion Superfund set up to clean the nation's worst toxic sites.

Rep. James Scheuer (D-Brooklyn and Queens) charged that the congressional audit had revealed "unbelievably amateurish, incompetent management" at EPA.

The Peabody contract started out in 1981 as an emergency cleanup at the closed 220-acre Kin-Buc landfill in Edison but was "modified," in nine stages, to a 13-month, \$1.1 million project.

As an example of alleged abuses, the report singled out one Peabody employe, Scott Anderson, who was billed as a project manager at \$50 an hour. On comparable commercial cleanup jobs, he was called a recovery technician and a team leader billed at \$20 to \$30 an hour.

**BUT PAYROLL RECORDS** dis-



EPA Administrator Anne Burford leaving Capitol Hill where she testified at a House Appropriations subcommittee hearing yesterday.

closed that Anderson had been paid only \$8.65 an hour when the EPA contract began and \$11.30 after work was under way, the audit said.

The report questioned such items as \$59,309 in billings for materials, such as coveralls and gloves, because they were higher than the actual cost as reflected in invoices. It could not determine costs of \$327,058 for use of vehicles, and there was no support to

account for \$7,332 in mileage costs. Auditors were unable to document \$72,834 for subcontract work.

The assets of Peabody, which has done business under the name of Peabody Coastal, have been sold to a company called Clean Industry Inc., which has taken over the contract.

Repeated efforts to reach officials of either firm for comment were unsuccessful.

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**A FAREWELL TO ARMS, M\*A\*S\*H style,** from columnist Both Fallon, who will miss them all. Page 40.

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